

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: QWEST CORPORATION	DOCKET NOS. SPU-03-12 TF-03-413
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**ORDER APPROVING APPLICATION FOR DISCONTINUANCE OF SERVICE
AND APPROVING AMENDED TARIFF**

(Issued September 25, 2003)

On August 29, 2003, Qwest Corporation (Qwest) filed with the Utilities Board (Board) a notice of Qwest's intention to discontinue its wide area calling (WAC) service in all of its Iowa exchanges effective November 27, 2003. The notice has been identified as Docket No. SPU-03-12.

Also on August 29, 2003, Qwest filed a revision to its Iowa Tariff No. 1 reflecting the elimination of WAC service. The tariff revision has been identified as Docket No. TF-03-413.

In support of its notice, Qwest states that WAC, also referred to as "reverse billing," is a billing service offered to Type 2 interconnection wireless carriers which provides direct-dialed LATA-wide toll free calling for Qwest landline-to-wireless calls and then bills the toll charge to the wireless carrier rather than to the calling party. Qwest also states that the carrier billing occurs at the central office code (NXX) level and requires a dedicated NXX code. The requirement of a dedicated NXX code means that any toll calls associated with that NXX code will be billed to the wireless carrier. Qwest contends that the Federal Communications Commission rule requiring wireless carriers to implement local number portability by November 24, 2003, makes

WAC billing technically unsupportable as any number or thousands-block is ported to another carrier from the dedicated NXX code, it will not be able to discern which carrier is to be billed.

The Board did not receive any formal objections to Qwest's notice. However, Board staff received a verbal complaint from a wireless carrier and the Board received a copy of a letter of protest written to Qwest regarding its discontinuation of WAC services. Neither party refuted with any degree of certainty Qwest's claim of its technical inability to identify ported numbers or thousands-blocks.

The Board's concern with Qwest's notice lies in the issue of number conservation. By employing WAC billing, wireless carriers were able to serve multiple rate centers with only one NXX code. To offer the same level of toll free service and coverage without WAC services, wireless carriers will need additional NXX codes to replace WAC. The amount of codes needed depends upon the number of customers, the extent of the WAC coverage that was utilized, and the extended area service patterns in those exchanges.

Through August 2003, the North American Numbering Pool Administrator assigned 31 new NXX codes in Iowa; 74 percent of the new NXX codes were assigned to wireless companies. Board staff determined that 30 percent of the new NXX codes assigned to wireless companies were assigned as replacements for WAC billing. Qwest states in its notice that the discontinuance of WAC services affects seven customers in 21 NXX codes. While thousands-block number pooling will mitigate some of the codes needed, it will do so only in exchanges that have mandatory pooling or where wireless carriers choose to voluntarily pool numbers.

The Board cannot predict the full impact of the discontinuance of WAC on the management of Iowa's numbering resources. However, the discontinuance of WAC seems to be a national occurrence. Moreover, Iowa Telecom discontinued its WAC service in May of this year without Board action. Therefore, despite the Board's concerns regarding number conservation as noted in this order, the Board will approve Qwest's notice of discontinuance of WAC services and will approve Qwest's revised tariff reflecting the removal of its WAC services.

IT IS THEREFORE ORDERED:

1. The notice filed on August 29, 2003, by Qwest Corporation regarding the discontinuance of wide area calling services from all of its Iowa exchanges, identified as Docket No. SPU-03-12, is approved as described in this order.

2. The revised tariff filed on August 29, 2003, by Qwest Corporation reflecting the removal of wide area calling services from its Iowa Tariff No. 1, identified as Docket No. TF-03-413, is approved and will be deemed effective November 27, 2003, as requested.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 25th day of September, 2003.